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TAGS: ENRG KNNP PGOV JO SUBJECT: JORDAN STILL OBJECTING TO PROPOSED CHANGES TO THE 123 AGREEMENT BUT WELCOMES FACE-TO-FACE DISCUSSIONS

REF: A. AMMAN 1394

1B. AMMAN 1356

¶C. AMMAN 1319

1D. AMMAN 825

¶E. 07 AMMAN 3656

1F. 07 AMMAN 939

Classified By: Ambassador R. Stephen Beecroft for Reasons 1.4 (b) and (d)

- 11. (C) Summary: The Jordan Atomic Energy Commission (JAEC) briefed a U.S. congressional staffdel on June 29 on the development of Jordan's nuclear energy program. In response to a question about what was impeding a 123 agreement with the U.S., JAEC Chairman Khaled Toukan gave many of the same arguments presented to post previously, namely that the newly proposed provisions based on the U.S.-UAE 123 Agreement require Jordan to relinquish rights under the Nuclear Non-Proliferation Treaty (NPT) and limit commercial options (ref B). The Ambassador has started going over Toukan's head on the issue and met with Chief of Royal Court Nasser Lozi, who clarified that Toukan is a member of the nuclear energy team but does not speak for Jordan on policy issues. Lozi indicated that the Jordanians want a USG team to visit Jordan as soon as possible to conclude negotiations. He advised that the U.S. stop talking about the UAE in future discussions, arguing that the U.S.-UAE Agreement is not viewed favorably in the region. On the margins of the JAEC briefing to the staffdel, JAEC Vice Chairman Kamal Araj proposed that a Jordanian team travel to the U.S. to conclude negotiations, which he believed he could easily do as a chief negotiator; it is unclear whether Araj had any authority to make such a proposal. We continue to recommend a high-level, interagency $\overline{\text{USG}}$ team travel to Jordan to engage JAEC representatives on technical issues and senior GOJ officials on political aspects of the agreement, with a goal of concluding negotiations. End Summary.
- 12. (SBU) During a June 29 briefing on Jordan's nuclear energy plans to a U.S. staffdel organized by the Jordanian

Ministry of Foreign Affairs, the JAEC reiterated many of the same energy statistics and plans reported previously, but updated its list of non-binding, bilateral nuclear energy agreements to include the following countries: U.S., Canada, France, Russia, China, the U.K., South Korea, Romania, Spain, Argentina, Japan, and the Czech Republic (reftels). Jordan has also signed Nuclear Cooperation Agreements (NCAs) with France, China, South Korea, Canada, Russia, and most recently, the UK. JAEC Vice Chairman Kamal Araj praised the NCA with the UK, signed on June 22, as the best of the agreements to date.

13. (SBU) JAEC Chairman Khaled Toukan noted that the U.S. and Jordan initialed a Nuclear Cooperation Agreement in February 2008 but negotiations were still ongoing. One staffdel member asked what were the impediments to a 123 Agreement with the U.S., and Toukan replied that he was hoping for such a question. He noted that the text as of February 2008 had the NPT as a baseline but now there was new thinking, particularly with the new U.S. administration. Speaking of the recently signed U.S.-UAE 123 Agreement, he argued that the UAE gave concessions that were very restrictive, infringed on the sovereignty of the country, and relinquished rights under the NPT. Toukan added that the UAE could do what it wanted but other countries in the region including Jordan would not follow. He stated that Jordan planned to maximize all technical options and as signatories to the NPT and Additional Protocol, would abide by all international safeguard obligations. Jordan would not, however, limit its commercial options per Toukan. For example, he noted that the Canadian CANDU heavy water reactor has sensitive nuclear

technologies but it is one of the cheapest options that could give negotiating power to Jordan with other vendors. Additionally, while Jordan did not plan to do enrichment now, Toukan said it might become an option fifteen years from now. In his view, agreements should be negotiated under the NPT framework which was the basis for all of Jordan's other NCA agreements. He ended by saying that Jordan is keen to sign a 123 Agreement with the U.S. and plans to continue a dialogue with U.S. experts. The staffdel did not respond to any of his comments on the agreement.

- (C) Per ref B, the Ambassador spoke to Chief of the Royal Court Nasser Lozi on June 24 about the proposed changes to the U.S.-Jordan 123 Agreement and Toukan's objections. Lozi clarified that Toukan was a member of the nuclear energy team within the Jordanian government, but Toukan does not speak on policy issues for Jordan. He pointed out that the Jordanians had recently talked to the Israelis (ref A). Lozi indicated that negotiations with the U.S. needed to continue, and Jordan would like a USG team to visit Jordan sooner than later. He advised, however, that the U.S.-UAE 123 Agreement is not seen positively in the region and we would do well to stop using the UAE as an example in future discussions on the Jordanian Agreement. On the margins of the JAEC briefing, Araj told Econoffs that a Jordanian team would also be willing to go to the U.S., which would allow the Jordanian Ambassador to the U.S. to participate in the negotiations. rather smug Araj commented that if he went to the U.S., he would be able to conclude negotiations in two hours, as he did in February 2008, and recommended that the same USG negotiating team be present. It is unclear whether Araj had the authority to propose a Jordanian visit to the U.S.
- 15. (C) Comment: Jordan objects to what it views as a cookie-cutter approach and is clearly looking for an exception. If an exception is given, others in the region will undoubtedly expect the same. At the same time, Toukan and Araj appear to be seeking to build support among others in the region most notably Egypt and Turkey to resist 123 agreements that "restrict rights under the NPT." A high-level, interagency USG team will send a strong, authoritative signal to the Jordanian government from the Administration on the need to accept these new provisions if it wants a 123 Agreement with the U.S. As Lozi noted, mention of the UAE as a model has rubbed Jordan the wrong way, so the Department may wish to consider not referring to

the UAE Agreement in future discussions but rather focusing on the specific issues and changes in provisions needed to finalize the Jordan Agreement.

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